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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

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Washington, D.C. 20549

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FORM 10-Q

(Mark One)

[X] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the period ended June 27, 1992

or

[ ] Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number: 0-14616

J & J SNACK FOODS CORP.

(Exact name of registrant as specified in its charter)

New Jersey	22-1935537
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6000 Central Highway, Pennsauken, NJ 08109
(Address of principal executive offices)

Telephone (609) 665-9533

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

[X] Yes [ ] No

As of July 17, 1992, there were 10,598,000 shares of the Registrant's Common Stock outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

J & J SNACK FOODS CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

ASSETS	June 27, 1992 (Unaudited)	September 28, 1991 (Audited)
Current assets		
Cash and cash equivalents	$ 2,490,000	$ 15,201,000
Marketable securities	16,816,000	8,541,000
Accounts receivable	12,733,000	11,882,000
Inventories	10,053,000	9,137,000
Prepaid expenses and deposits	1,509,000	1,576,000
	43,601,000	46,337,000
Property, plant and equipment, at cost		
Land	529,000	568,000
Buildings	3,358,000	3,616,000
Plant machinery and equipment	22,724,000	21,093,000
Marketing equipment	46,595,000	36,327,000
Transportation equipment	2,763,000	3,233,000
Office equipment	1,937,000	1,747,000
Improvements	2,003,000	1,862,000
	79,909,000	68,446,000
Less accumulated depreciation and amortization	32,698,000	27,006,000
	47,211,000	41,440,000
Other assets		
Goodwill, trademarks and rights, less accumulated amortization	10,486,000	11,177,000
Proceeds from bond financing held in trust	4,763,000	-
Sundry	4,114,000	5,458,000
	19,363,000	16,635,000
	$110,175,000	$104,412,000

See accompanying notes to the consolidated financial statements.

J & J SNACK FOODS CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS - Continued

LIABILITIES AND STOCKHOLDERS' EQUITY	June 27, 1992 (Unaudited)	September 28, 1991 (Audited)
Current liabilities		
Current maturities of long-term debt	$ 191,000	$ 1,311,000
Accounts payable	7,449,000	6,839,000
Accrued liabilities	2,857,000	3,066,000
	10,497,000	11,216,000
Long-term debt, less current maturities	5,078,000	2,411,000
Deferred income taxes	4,994,000	4,348,000
Stockholders' equity		
Capital stock		
Preferred, $1 par value; authorized, 5,000,000 shares; none issued	-	-
Common, no par value; authorized, 25,000,000 shares; issued and outstanding, 10,598,000 and 10,641,000, respectively	58,184,000	58,656,000
Retained earnings	31,422,000	27,781,000
	89,606,000	86,437,000
	$110,175,000	$104,412,000

See accompanying notes to the consolidated financial statements.

J & J SNACK FOODS CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited)

	Three months ended		Nine months ended	
	June 27, 1992	June 29, 1991	June 27, 1992	June 29, 1991
Net sales	$33,478,000	$28,632,000	$89,036,000	$78,340,000
Cost of goods sold	15,663,000	13,520,000	42,691,000	37,580,000
Gross profit	17,815,000	15,112,000	46,345,000	40,760,000
Expenses & other income				
Marketing	9,228,000	6,886,000	24,499,000	19,691,000
Distribution	3,940,000	3,322,000	11,065,000	9,731,000
Administrative	1,730,000	1,651,000	5,106,000	4,606,000
Interest expense	91,000	227,000	273,000	684,000
Investment income	(316,000)	(94,000)	(1,123,000)	(280,000)
Other deductions net of other income	270,000	259,000	835,000	825,000
	14,943,000	12,251,000	40,655,000	35,257,000
Earnings before income taxes	2,872,000	2,861,000	5,690,000	5,503,000
Income taxes	1,032,000	1,101,000	2,048,000	2,113,000
NET EARNINGS	$ 1,840,000	$ 1,760,000	$ 3,642,000	$ 3,390,000
Earnings per common share	$ .17	$ .20	$ .34	$ .40
Weighted average number of shares	10,808,000	8,958,000	10,829,000	8,557,000

See accompanying notes to the consolidated financial statements.

J & J SNACK FOODS CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine months ended	
	June 27, 1992	June 29, 1991
Cash flows from operating activities:		
Net earnings	$ 3,642,000	$ 3,390,000
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization of fixed assets	6,525,000	5,194,000
Amortization of intangibles and deferred costs	882,000	987,000
Increase in deferred income taxes	609,000	633,000
Other adjustments	(51,000)	(26,000)
Changes in assets and liabilities		
Increase in accounts receivable	(861,000)	(664,000)
Increase in inventories	(962,000)	(415,000)
Decrease (increase) in prepaid expenses	67,000	(135,000)
Increase (decrease) in accounts payable and accrued liabilities	401,000	(3,740,000)
Net cash provided by operating activities	10,252,000	5,224,000
Cash flows from investing activities:		
Capital expenditures	(12,840,000)	(10,140,000)
Proceeds from (payments for) investments (net)	(8,351,000)	322,000
Increase in bond trust fund	(3,264,000)	-
Other	533,000	(12,000)
Net cash used in investing activities	(23,922,000)	(9,830,000)
Cash flows from financing activities:		
Proceeds from issuance of common stock	225,000	29,633,000
Proceeds from long-term debt borrowing	5,056,000	2,099,000
Payments to repurchase common stock	(698,000)	(208,000)
Payments of long-term debt	(3,509,000)	(5,294,000)
Other	(115,000)	-
Net cash provided by financing activities	959,000	26,230,000
Net increase (decrease) in cash and cash equivalents	(12,711,000)	21,624,000
Cash and cash equivalents at beginning of period	15,201,000	1,984,000
Cash and cash equivalents at end of period	$ 2,490,000	$23,608,000

See accompanying notes to the consolidated financial statements.

J & J SNACK FOODS CORP. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the financial position and the results of operations and cash flows.

The results of operations for the three months and nine months ended June 27, 1992 and June 29, 1991 are not necessarily indicative of results for the full year. Sales of the Company's frozen carbonated beverages are generally greater in the third and fourth quarters due to seasonal factors.

While the Company believes that the disclosures presented are adequate to make the information not misleading, it is suggested that these consolidated financial statements be read in conjunction with the consolidated financial statements and the notes included in the Company's Annual Report on Form 10-K for the year ended September 28, 1991.

Note 2 Earnings per share are based on the weighted average number of common shares outstanding, including common stock equivalents (stock options).

Note 3 Under a share repurchase program authorized by the Board of Directors in June 1992, the Company is authorized to acquire up to 500,000 shares of its common stock. The Company repurchased and retired 80,000 shares at a cost of $698,000 during the three months ended June 27, 1992.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Liquidity and Capital Resources

The Company's current cash and marketable securities balances and cash expected to be provided by future operations are its primary sources of liquidity. The Company believes that these sources, along with its borrowing capacity, are sufficient to fund future growth and expansion.

In December 1991, the Company obtained $5,000,000 of funding for the expansion of the freezer storage space and production capacity at its primary east coast manufacturing facility. Tax-exempt bonds bearing interest at 7-1/4% and payable in full in 2005 were issued through the New Jersey Economic Development Authority. Construction of the freezer storage project began during the quarter and should be completed in the first quarter of fiscal 1993.

At June 27, 1992, the Company had available to it $15,000,000 in general purpose bank lines of credit. Subsequent to June 27, 1992, one of the banks increased its line by $10,000,000 giving the Company a current availability of $25,000,000. In May 1992, the Company terminated its $25,000,000 acquisition credit facility. The decision to terminate the line was based on the current financial capacity of the Company.

Results of Operations

Net sales increased $4,846,000 or 17% to $33,478,000 for the three months and $10,696,000 or 14% to $89,036,000 for the nine months ended June 27, 1992.

Sales to food service customers increased $1,478,000 or 14% to $12,326,000 in the current third quarter and $4,915,000 or 15% in the current nine month period. Soft pretzel sales to the food service market increased 15% to $8,197,000 in the third quarter and 14% to $24,259,000 in the nine month period. New distribution channels, such as warehouse clubs, have enabled the Company to overcome sales slowdowns in traditional markets related to the recession. Frozen juice treat and dessert sales increased 12% to $1,969,000 in the quarter and 27% to $6,951,000 in the nine month period. Churro sales to food service customers increased 15% to $1,612,000 in the current quarter and 22% to $4,076,000 in the nine months. All increases are due primarily to expanded unit volume.

Sales of products to retail supermarkets increased $1,485,000 or 36% to $5,632,000 in the third quarter and increased $3,755,000 or 32% to $15,367,000 in the current nine month period. Unit volume increases accounted for 31% of the third quarter and 29% of the nine month dollar increases and a price increase accounted for the balance. Soft pretzel sales in the third quarter were up 14% to $3,149,000 and in the current nine month period were up 23% to $11,575,000. Sales of the flagship SUPERPRETZEL brand soft pretzels, including soft pretzel bites, increased 20% in the third quarter and 29% in the nine months.

Frozen carbonated beverage and related product sales increased $1,501,000 or 15% to $11,819,000 in the third quarter and $1,678,000 or 7% to $26,400,000 in the current nine month period. Beverage sales alone increased 19% to $11,120,000 in the quarter and 10% to $23,739,000 in the nine month period. The sales increases are due to an increased number of beverage dispensers at new customer locations which have overcome significant declines caused by a remodeling program of a major chain store customer and the effects of the recession, especially in key California and Michigan markets.

Bakery sales increased $421,000 or 21% to $2,411,000 in the third quarter and $556,000 or 8% to $7,424,000 in the current nine month period. Syrup and topping product sales decreased $39,000 or 3% to $1,290,000 in the quarter and $208,000 or 6% to $3,022,000 in the nine month period. The increases and decreases reflect volume changes.

Gross profit as a percentage of sales was 53% in the third quarter and 52% in the nine month period, the same percentages as in last year's comparable periods.

Total operating expenses increased $3,039,000 in the third quarter and as a percentage of sales increased to 45% from 41% in last year's same quarter. For the nine months, operating expenses increased $6,642,000 and as a percentage of sales increased to 46% from 43% last year. Marketing expenses increased to 28% of sales in the third quarter from 24% in the prior quarter. For the current nine month period, marketing expenses increased to 27% of sales from 25% in last year's comparable period. Frozen carbonated beverage division marketing expense increases as a percentage of its sales represented over two thirds of the Company wide marketing expense percentage increase. Administrative expenses decreased to 5% of sales in the current third quarter from 6% in the comparable period last year and from 6% in both nine month periods. Distribution expenses were 12% of sales for all periods presented.

Operating income decreased $336,000 or 10% to $2,917,000 in the third quarter and $1,057,000 or 16% to $5,675,000 in the current nine month period.

Investment income increased due to the higher level of invested funds and interest expense decreased due to the reduction of indebtedness.

The effective income tax rate has been estimated at 36% in the current periods compared to 38% in last year's same periods. The effective rate for fiscal 1991 was 35%. The Financial Accounting Standards Board (the FASB) issued in 1987 a standard which significantly changed the accounting for deferred income taxes. The FASB issued numerous interpretations of that standard and recently issued a new standard which supersedes the 1987 standard. The effective date of the new standard for the Company is fiscal 1994. The Company has not estimated the impact of the adoption of this new standard on net earnings and earnings per share.

Net earnings increased $80,000 or 5% in the current three month period to $1,840,000 and $252,000 or 7% in the current nine month period to $3,642,000.

Part II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

a) Exhibits - None

b) Reports on Form 8-K - A report on Form 8-K was filed on July 8, 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

J & J SNACK FOODS CORP.

Dated: July 31, 1992

/s/ Gerald B. Shreiber
Gerald B. Shreiber
President

Dated: July 31, 1992

/s/ Dennis G. Moore
Dennis G. Moore
Vice President and
Chief Financial Officer